

Adept New C.I.A. Chief

John Alex McCone

Special to The New York Times.

WASHINGTON, Sept. 27— In the final days of his Administration, President Dwight D. Eisenhower once told his chairman of the Atomic Energy Commission: "John, you shouldn't spend so much money fixing up this house. You know, we only have a few months left around here." John

Man in the News Alex McCone spent the money and kept the elegantly furnished, Palladian-style home,

even after he retired from the commission with the end of the Eisenhower Administration. It was one of the many fortuitous investments made by the 59-year-old California business man, because he now has a place to live as he returns to the capital to become the director of the Central Intelligence Agency.

He returned with some hesitation, which is uncharacteristic of a man who gained a reputation while in Washington as a decisive, strong-willed administrator. An ardent, active Republican, who last fall supported Vice President Richard M. Nixon for the Presidency, he had some misgivings about whether he could prove useful in a Democratic Administration.

His retention of the home, however, was probably a subconscious admission that he would ultimately return to Government service. Aside from delighting in the political battle, he is a man sorely troubled over the East-West struggle and driven by a deep-seated desire to help his country.



Associated Press

Never leaves any question as to who is in charge.

Ended Rift in A. E. C.

It was his political adeptness that paved the way for his return to Washington, despite his party label. As chairman of the Atomic Energy Commission from mid-1958 until Jan. 20, 1961, Mr. McCone skillfully healed the deep political wounds that had developed between the commission and Democrats of the Joint Congressional Committee on Atomic Energy.

By the time he voluntarily resigned from the commission, Mr. McCone was on close, friendly terms with such Democrats on the committee as Senator Clinton P. Anderson of New Mexico. These Democrats were instrumental in promoting him at the White House for the C. I. A. post.

With his silvery-white hair and rimless glasses, Mr. McCone has a deceptively professional appearance. His round Scottish face changes rapidly from a solemn mien to a broad smile as he talks in a low, always deliberate manner. Among associates, he is normally restrained and gentle in manner, but occasionally his temper flares for a calculated purpose.

As an administrator, Mr. McCone is a driving, energetic precisionist who never leaves any question as to who

is in charge. In fact, one of the complaints among his fellow atomic energy commissioners was that at times he was too dominating.

Friend of Eisenhower

Mr. McCone first saw public service in the Truman Administration. In 1947-48 he served on the President's Air Policy Committee, a job that led to his meeting and becoming a close personal friend of Dwight D. Eisenhower. It also led to his appointment as Under Secretary of the Air Force in 1950-51, with the principal responsibility for increasing the production of military planes for the Korean War.

The son of a family that started an iron foundry in Nevada in 1860, he went into the steel and construction business after graduating from the University of California in 1922 with an engineering degree.

By the time he was 32, he was executive vice president of the Consolidated Steel Corporation in Los Angeles. He struck out on his own in 1937 by helping to organize the engineering concern of Bechtel-McCone-Parsons.

An engineering production man at heart, Mr. McCone headed the California Shipbuilding Corporation during World War II. Under his fifteen-hour-a-day direction, the company exceeded its production goals by turning out 467 ships worth \$1,000,000,000. After the war he became the owner of Joshua Hendy Corporation, which operated a fleet of some fifty tankers and cargo ships.

He was also active in local symphony and opera organizations and served as a trustee of several universities.

Mr. McCone was married in 1938 to the former Rosemary Cooper of Idaho. They have no children.

New Era in Intelligence

Spying Became an Electronic Art

During Dulles's Career in Field

BY WALLACE CARROLL
Special to The New York Times

WASHINGTON, Sept. 27—Intelligence collection was already under way. For more than three thousand years after Joshua sent his spies into Jericho, the techniques of intelligence gathering remained essentially unchanged. Then the scientific revolution, and particularly the progress of electronics, opened revolutionary new possibilities in the arts of espionage.

News Analysis

It is one of the distinctions of Allen Dulles that his career bridges these two eras of intelligence activity. That is why his impending resignation from the directorship of the Central Intelligence Agency, which was announced today, is something of a landmark in the history of intelligence.

When Joshua's two agents returned to him from Jericho, they were able to report that the morale of the defenders was shaky, "for even all the inhabitants of the country do faint because of us."

This person-to-person, word-of-mouth intelligence was still the basic mode of operation when Mr. Dulles became this country's chief intelligence agent in Switzerland in World War II.

It was to him that German informants came in 1944 with word of the plot by highly placed anti-Nazis to assassinate Hitler. And again, the following year, the German military came to him with the assurance that the German Army in Italy was ready to surrender.

But when Mr. Dulles became the director of the C. I. A. in 1953, the new scientific era in

Intelligence collection was already under way. In this new era, it was possible for an intelligence chief to call in his scientific advisers and say:

"It is imperative that we find new ways to gather information in areas of the world which our agents and informers cannot hope to penetrate. I want you to produce a space satellite that will send back pictures and other data which will tell me whether armor is moving on the roads behind the Iron Curtain and whether nuclear devices are being tested in outer space or even underground."

Occasionally the public gets a hint of what goes on in this new, impersonal kind of espionage, as when the United States Government announces that a nuclear device has been exploded that day in the desolate reaches of Siberia.

For the last eight years Mr. Dulles has presided over this kind of scientific spy work as well as over the continuing classical methods of gathering information that other governments would prefer to keep secret.

In his personal style of operations, he has startled some old hands in the game by defying the ancient tradition that the chief spy, as his agents, should court anonymity.

Daniel DeLoe, who is sometimes called the founder of the modern British intelligence organization, operated under the "cover" of his reputation as a writer.

This tradition of secrecy was so strong that as late as World

War II the chief of British intelligence was known only as "The Brigadier." His real name, Menzies, was not even mentioned at Cabinet meetings.

Mr. Dulles decided from the moment he became director of the C. I. A. that this kind of secrecy was not possible in the United States. Accordingly, he made public speeches, received newspapermen in his office and at his home, and traveled abroad without concealment.

To the dismay of some of his associates, he decided that his Washington staff of many thousands, which was scattered in innumerable buildings, should be housed in one mammoth headquarters located in plain view on a four-lane highway.

"Never try to conceal what cannot or need not be concealed," he told his critics. "When I was in Switzerland during the war, nobody knew who was the British intelligence agent but every one knew who was there for the United States. That was why certain information about what was going on in the enemy countries came to me."

Keeps Tight Security

But although he has not shunned personal publicity, Mr. Dulles has maintained the highest kind of security at the C. I. A.

This has made it impossible for outsiders to evaluate his own performance as an intelligence chief and that of his agency.

Senator Mike Mansfield of Montana, one of the most influential Democrats in Congress, tried repeatedly to have a Congressional committee established to keep watch over the C. I. A. Mr. Dulles used all his political skill to keep the committee at bay. He called it "a waste of time and money" and "a threat to the security of the United States."

Officials of the State Department have often said privately that the C. I. A. under Mr. Dulles set up its own diplomatic service and tried to make foreign policy. Members of Congress have vainly investigated the C. I. A.

Compared With Brother

President Eisenhower's Advisory Committee on Intelligence Activities is known to have made serious criticisms of the internal organization of the C. I. A. These criticisms, it is said, reflected upon Mr. Dulles's methods as an executive. Officials of other Government departments have compared him in this respect with his brother, the late John Foster Dulles, who tried to run the State Department in the Eisenhower Administration as a one-man show.

The C. I. A. director, however, refused to accept the advisory committee's recommendations, and President Eisenhower declined to force them upon him.

To have done so, it is said, would have meant a complete change in Mr. Dulles's highly personal, sixteen-hours-a-day, seven-days-a-week mode of running his agency.

In the last year and a half the Mr. Dulles and the agency have gone through two public crises. The first was the U-2 incident in the spring of 1960. An American plane capable of taking detailed pictures of ground installations from heights of over 70,000 feet was shot down over the Soviet Union. This led to the collapse of the summit conference in Paris at which Premier Khrushchev and the leaders of Britain and France were to have attempted an improvement in East-West relations.

The second was the unsuccessful attempt in April of this year to back an invasion of Cuba by anti-Castro rebels.

Resignation Declined

President Kennedy publicly assumed responsibility for this fiasco. But he ordered a private investigation of the C. I. A.